Exhibit No.:	
Issue:	*Purchasing Practices*
Witness:	*Anne M. Allee*
Sponsoring Party:	*MoPSC Staff*
Type of Exhibit:	*Surrebuttal Testimony*
Case Nos.:	*GR-2001-382, GR-2000-425, GR-99-304 and GR-98-167 (Consolidated)*
Date Testimony Prepared:	*April 22, 2003*

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY SERVICES DIVISION

SURREBUTTAL TESTIMONY

OF

ANNE M. ALLEE

MISSOURI GAS ENERGY

CASE NOS. GR-2001-382, GR-2000-425, GR-99-304 AND GR-98-167
(Consolidated)

Jefferson City, Missouri
April 2003

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Energy's Purchased Gas Adjustment Tariff Revisions to be Reviewed in its 2000-2001 Actual Cost Adjustment	)))	**Case No. GR-2001-382**
In the Matter of Missouri Gas Energy's Purchased Gas Cost Adjustment Factors to be Reviewed in its 1999-2000 Actual Cost Adjustment	)))	**Case No. GR-2000-425**
In the Matter of Missouri Gas Energy's Purchased Gas Cost Adjustment Factors to be Reviewed in its 1998-1999 Actual Cost Adjustment	)))	**Case No. GR-99-304**
In the Matter of Missouri Gas Energy's Purchased Gas Cost Adjustment Tariff Revisions to be Reviewed in its 1997-1998 Actual Cost Adjustment	)))	**Case No. GR-98-167**

AFFIDAVIT OF ANNE M. ALLEE

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

Anne M. Allee, of lawful age, on her oath states: that she has participated in the preparation of the following surrebuttal testimony in question and answer form, consisting of 2 pages to be presented in the above case; that the answers in the following surrebuttal testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true and correct to the best of her knowledge and belief.

Anne M. Allee

Subscribed and sworn to before me this 18th day of April 2003.

Notary Public

My Commission Expires: _____

TONI M. CHARLTON
NOTARY PUBLIC STATE OF MISSOURI
COUNTY OF COLE
My Commission Expires December 28, 2004

SURREBUTTAL TESTIMONY

OF

ANNE M. ALLEE

MISSOURI GAS ENERGY

CASE NOS. GR-2001-382, GR-2000-425, GR-99-304 AND GR-98-167

(CONSOLIDATED)

Q. Please state your name and business address.

A. Anne M. Allee, P.O. Box 360, Jefferson City, Missouri 65102.

Q. Are you the same Anne M. Allee who filed direct testimony in Case Nos. GR-2001-382, GR-2000-425, GR-99-304 and GR-98-167?

A. Yes, I am.

Q. What is the purpose of your surrebuttal testimony?

A. The purpose of my surrebuttal testimony is to respond to the rebuttal testimony of Missouri Gas Energy witness Michael T. Langston related to Staff's proposed adjustments for Missouri Gas Energy (MGE or Company), Case No. GR-2001-382. My surrebuttal testimony is specifically related to the portion of Mr. Langston's rebuttal testimony regarding the direct testimony of Mr. James A. Busch in Case No. GR-98-140 (Langston rebuttal, Schedule MTL-21).

Q. Mr. Langston asserts that the Staff's position in this case is inconsistent with the Staff's prior position regarding the appropriate level of MGE's storage inventory (Langston rebuttal, p.11, ll. 21-27, p.12, ll. 1-21 and p. 13, ll. 1-3). He refers to the direct testimony of Staff witness Busch in Case No. GR-98-140 as support for his statements. Do you agree with Mr. Langston's assertion?

A. No, I do not. Mr. Langston is making an apples-to-oranges comparison of Staff witness Busch and Staff witness Lesa Jenkins' testimony regarding MGE storage inventory levels. Case No. GR-98-140 was an MGE general rate case, not an ACA case. Staff witness Busch's inventory levels were calculated based upon actual historical storage operations in the context of MGE's rate case and were used for the purpose of calculating the dollar value of MGE's investment in inventory that Staff included in rate base. On the other hand, Staff witness Jenkins evaluated MGE's inventory plans for reasonableness in the context of this actual cost adjustment (ACA) case.

Q. How did Staff witness Busch develop the normal or average plan contained in his testimony in Case No. GR-98-140?

A. He performed an average of the Company's planned storage injections and withdrawals and the actual month-to-month injections and withdrawals for January 1995 through December 1997.

Q. Were you a Staff witness in Case No. GR-98-140?

A. Yes. I used the ending inventory levels established by Staff witness Busch to develop inventory values to include in rate base.

Q. Does this conclude your testimony?

A. Yes, it does.